

FILED

CERTIFIED TRUE COPY

JUN 26 2000

JOHN J. FARMER, JR.  
ATTORNEY GENERAL OF NEW JERSEY  
Division of Law - 5th floor  
124 Halsey Street  
P.O.B. 45029  
Newark, New Jersey 07101  
By: Joan D. Gelber  
Deputy Attorney General  
Tel. 973-648-2478

BOARD OF PHARMACY,  
*Effective June 16, 2000*

STATE OF NEW JERSEY  
DEPT OF LAW & PUBLIC SAFETY  
DIVISION OF CONSUMER AFFAIRS  
STATE BOARD OF PHARMACY

---

IN THE MATTER OF THE SUSPENSION :	
OR REVOCATION OF THE LICENSE OF:	
LARRY STEVEN KRAMER, R.Ph. :	ADMINISTRATIVE ACTION
TO PRACTICE PHARMACY IN THE :	
STATE OF NEW JERSEY, AND :	ORDER OF TEMPORARY SUSPENSION
OF THE PERMIT OF :	OF LICENSE AND OF PERMIT
ENGLEWOOD CLIFFS PHARMACY :	BY CONSENT
TO OPERATE A PHARMACY IN THE :	
STATE OF NEW JERSEY :	

---

This matter was presented to the State Board of Pharmacy by the Attorney General of New Jersey, by Joan D. Gelber, Deputy Attorney General.

Respondent Larry Steven Kramer, R.Ph., of Fairlawn, New Jersey, holds registered pharmacist license number R121809. He represents that he is the sole owner of Englewood Cliffs Pharmacy, which operates at 650 Palisades Avenue, Englewood Cliffs, NJ 07632, as authorized by permit #RS 04750. Mr. Kramer is represented by Raymond F. Flood, Esq. and Douglas F. Doyle, Esq.

Mr. Kramer has been licensed to practice pharmacy and also to operate the Englewood Cliffs Pharmacy in this State during all times pertinent to the within matter.

Information has been received alleging that Mr. Kramer has engaged in conduct during the period 1997 and to date in violation of numerous statutes, Board rules and

accepted standards of practice. Mr. Kramer, having conferred with counsel, and in the interests of amicable interim settlement of the matter without admissions, has determined that it would be in his professional and personal interest to voluntarily and temporarily surrender his license to practice as a pharmacist and of the Englewood Cliffs Pharmacy permit.

Mr. Kramer, without making any admissions at this time, acknowledges that investigative information to be submitted in support of an administrative Complaint could be found to support a finding of violations of, variously, N.J.S.A. 45:1-13; N.J.S.A. 45:14-7; 45:14-12; 45:14-15, 45:14-15.3; 45:14-26.1; N.J.S.A. 45:1-21(b), (c), (d), (e) and (h), and of Board rules including but not necessarily limited to those set forth above and of N.J.A.C. 13:39-3.18; 13:39-4.9; 13:39-5.3; 13:39-5.7; 13:39-5.8; 13:39-7.7; 13:39-7.13 and 13:39-7.14, and at this time pleads no contest. Mr. Kramer, demonstrating his good faith in furtherance of an amicable interim settlement, has therefore voluntarily agreed to the conditions set forth herein and, as set forth in the written submissions of his attorney, has already undertaken the following steps, after assuring the proposed third parties were properly licensed to accept the cited responsibilities:

(a) On June 16, 2000, Mr. Kramer voluntarily surrendered the pharmacist license and the pharmacy permit to the State Board of Pharmacy;

(b) Mr. Kramer voluntarily retained the services of Marvin Streit, R.Ph. (License No. RI 09595), an independent third-party pharmacist, to inventory the pharmaceutical products at the Englewood Pharmacy and to transfer all non-expired prescription pharmaceutical products via the required transfer forms to Singac Pharmacy (Permit No. RS 03197) and into the custody and control of Nino Paradiso, R.Ph. (License No. RI 13674);

(c) Mr. Kramer voluntarily requested pharmacist Streit to destroy all expired prescription pharmaceutical products as required by law;

(d) Mr. Kramer, as of June 19, 2000, voluntarily transmitted copies of all Englewood Pharmacy patient prescriptions for the last five years to Pastor Pharmacy

(Permit No. 3541) located at 543 Grand Avenue, Englewood, New Jersey and into the custody of Layak Gupta, R.Ph. (License No. 15932);

(e) Mr. Kramer, as of June 16, 2000, voluntarily and as required by law, voluntarily discontinued Englewood Pharmacy as a "pharmacy" and in that regard voluntarily removed all the signs at the Englewood Pharmacy which denote the location as a "pharmacy" and Larry Kramer, R.Ph. as a "pharmacist";

(f) Mr. Kramer, as June 16, 2000, voluntarily and as required by law, advised his patients and customers of the discontinuance of Englewood Pharmacy and, as required by N.J.A.C. 13:39-5.7a(3), posted a notice on the store. Mr. Kramer has voluntarily agreed to comply with the balance of the "notice requirements" to the public, as set forth in N.J.A.C. 13:39-5.7a, and shall notify the Board in writing of the necessary local newspaper publications. Mr. Kramer also notified the Board of the above activities by letter dated June 16, 2000;

(g) Mr. Kramer has agreed, as of June 16, 2000, to a temporary suspension of his license to practice as a pharmacist and to a temporary suspension of the pharmacy permit of Englewood Cliffs Pharmacy;

(h) Mr. Kramer has voluntarily agreed to reimburse the State Board of Pharmacy the sum of twenty-four thousand fifty dollars and 37/100s (\$24,050.37) in investigative costs and five thousand dollars (\$5,000.00) in attorney fees;

(i) Mr. Kramer has voluntarily agreed to pay the sum of forty-six thousand seven hundred sixty dollars (\$46,760.00) to PAID Prescriptions, LLC, without admission of wrongdoing;

(j) Mr. Kramer has requested that, in lieu of addressing the allegations of an anticipated Complaint, he be permitted the opportunity to submit documentation in support of a preferred resolution of the issues involved.

For sufficient cause shown,

IT IS, ON THIS 23rd DAY OF JUNE 2000

ORDERED:

1. The voluntary surrender by Respondent Larry Steven Kramer, R.Ph. of his license to practice pharmacy in this State shall be and it is hereby accepted and deemed temporarily suspended, effective as of 4 p.m. on Friday, June 16, 2000. The license and current registration have been physically delivered to the Board office at 124 Halsey Street (P.O. Box 45013), Newark, New Jersey 07101.

2. Effective as of June 16, 2000, Larry Steven Kramer, R.Ph. shall cease and desist from the practice of pharmacy in the State of New Jersey in any manner or form, including but not limited to the following: he shall not handle, order, inventory, compound, count, fill, refill or dispense any drug; he shall not engage in the acceptance of any prescription in person, by telephone or by any electronic media; he shall not engage in the verification of refill authorization by telephone or by any electronic means; he shall not advise or consult with any person concerning the properties and actions of drugs.

3. The voluntary surrender by Respondent Larry Steven Kramer, R.Ph. of his permit to operate Englewood Cliffs Pharmacy, and of the State of New Jersey Controlled Substances Registration #DO58993 for Englewood Cliffs Pharmacy, shall be and they are hereby accepted and deemed temporarily suspended, effective as of 4 p.m. on June 16, 2000. Both the permit and the CDS Registration have already been surrendered to the Board, and Mr. Kramer has represented that the various pharmacy and pharmacist signs have been covered up or removed. Mr. Kramer has also arranged for appropriate transfer of patient prescription records;

4. Respondent Larry Steven Kramer, R.Ph. shall commence arrangements to (i) sell his entire interest in the "Englewood Cliffs Pharmacy" permit, or (ii) Mr. Kramer shall divest himself of all interest which he presently holds in the Englewood Cliffs Pharmacy permit, in either case to a person who is unrelated to Mr. Kramer through consanguinity or marriage, or to a partnership or corporation in which none of the partners or principals are related to him through consanguinity or marriage, and subject to the prior approval of the Board which shall not be unreasonably withheld. Alternatives 4(i) or (ii) above shall be accomplished by no later than four months from the filed entry of this Order. An application by the acquiring new business entity to operate a pharmacy

will be considered by the Board on an expedited basis. Failure to so divest by that date shall result in the revocation of the permit as of that date without further notice.

5. Respondent Larry Steven Kramer, R.Ph. shall immediately commence arrangements to either: dissolve the corporate name of "Englewood Cliffs Pharmacy" or to change or amend the corporate name to a form which does not represent or imply the establishment of a health care service requiring licensure in this State. Nothing herein shall be construed to prevent Mr. Kramer from operating a non-pharmacy related business at the former location of the pharmacy. Any business transactions conducted under an amended name shall explicitly represent that the corporate entity is not engaged in a health care profession. The corporate name of "Englewood Cliffs Pharmacy" and any business affairs related thereto shall be disposed of or resolved in accordance with the final Order to be entered in this matter.

6. Mr. Kramer shall reimburse the State Board of Pharmacy the sum of \$24,050.37 in investigative costs and \$5,000.00 in attorney fees as required herein.

7. Mr. Kramer shall reimburse PAID Prescriptions, L.L.C.<sup>3</sup> in accordance with the terms hereof, the sum of \$46,760.00.\*

8. Costs, attorney fees and reimbursement shall be paid within 10 days of the entry of this Order. Failure to make such payment in full shall result in the filing of a Certificate of Debt.

9. For good cause shown, Mr. Kramer shall be permitted to pay the assessed reimbursement in regular monthly installments, due on the first day of each month commencing August 1, 2000, on such terms as shall be approved by the Board. Interest shall be assessed as set forth in R. 4:42-11 of the Rules of Court. Failure to so pay may result in the initiation of disciplinary proceedings on that ground

---

\*Mr. Kramer has received at least \$59,837 in payments from the entity PAID Prescriptions, L.L.C., for prescriptions later alleged by the Attorney General to have been fraudulent. Of that sum, \$13,077 has been repaid to the entity, leaving a balance of \$46,760 for the sampling identified.

10. Failure to make timely installment payments (if timely requested) on the terms approved by the Board, shall result in all monies being deemed owing, due and unpaid. Waiver or extension of time granted by the Board as to any single item or occasion shall not be deemed a waiver or extension of subsequent items or occasions.

11. Mr. Kramer shall not collect or take any action to collect on any bills for prescriptions unpaid as of the date of this Order. Mr. Kramer shall withdraw any pending claims for payment of pharmacy prescriptions, whether in litigation or not. Upon request, notice of same shall be provided by Mr. Kramer to the Attorney General within 30 days.

12. Mr. Kramer shall assure delivery to the Board office of an affidavit from Marvin Streit, R.Ph. that transfer of Prescription Legend Drug inventory and of Controlled Dangerous Substances inventory has been made in the manner permitted by State and federal law, as applicable.

13. Mr. Kramer shall assure delivery to the Board office of an affidavit from Nino Paradiso, R.Ph. of Singac Pharmacy attesting to the condition of all pharmaceutical products received on behalf of Mr. Kramer and Englewood Cliffs Pharmacy, *i.e.*, that there are no "samples", no outdated pharmaceutical products, and no mislabelled pharmaceutical containers of products.

14. Pending final resolution of this matter, Mr. Kramer shall not work in any capacity on the premises of, or for, any pharmacy in the State of New Jersey, nor shall he acquire, directly or indirectly, any financial interest in any New Jersey pharmacy.

15. Mr. Kramer's request for leave to submit documents to the Board in support of his proposed final resolution of this matter is granted. Such documents shall be submitted, with a copy to Joan D. Gelber, Deputy Attorney General, no later than July 14, 2000. Response may be submitted by the Deputy Attorney General, no later than July 31, 2000. Counsel for the parties shall be given an opportunity, if requested, to make brief oral argument with regard to mitigation of penalty. The Board shall consider the matter and shall advise counsel of its provisional decision. Upon good cause shown, the Board may extend the times set forth in this paragraph in order to submit additional information to the Board.

16. It is intended by the parties that the Final Order to be entered in this matter shall resolve all issues raised by the Attorney General in connection with bills submitted by Mr. Kramer to the entity PAID Prescriptions, L. L.C. for the patients whose redacted names are set forth on Attachment A hereto; and with regard to the prescribing and dispensing of Prescription Legend Drugs and Controlled Substances billed in the names of those patients; and with preparation and maintenance of required records and the professional premises, all pursuant to Professional Board law and rules.

17. If the matter is not settled by consent, and the Attorney General thereafter determines to file formal charges against Mr. Kramer, such Complaint shall be filed within 14 days of the Board's provisional decision and may seek all remedies available under Board law and the Uniform Enforcement Act. Either party may then request a full hearing on the allegations of the Complaint, with such hearing to be conducted by the Board or transmitted by the Board to the Office of Administrative Law. In the circumstances herein, the temporary suspension of license and restrictions on pharmacy permit, established by this Order, shall remain in place pending final resolution of the allegations of the Complaint.

18. Mr. Kramer has been made aware that information regarding this matter has been referred to the Division of Criminal Justice. The entry of this Order shall not limit the authority of the Attorney General or of any other person or agency to initiate any further action permitted by law, whether administrative, civil or criminal, in any court or forum of competent jurisdiction in connection with any matters coming within that jurisdiction.

19. The Attorney General reserves the right to prosecute or to take other action regarding fraudulent or otherwise unlawful conduct not known as of the date of entry of this Order and not based on the claims and Professional Board issues herein resolved; the right to prosecute or to take other action regarding any violation by Mr. Kramer personally or through his corporation Englewood Cliffs Pharmacy, separate from the claims herein, pursuant to any other law by which the conduct may be regulated; and the right to take appropriate enforcement action to enforce the terms and the provisions of

10209 ON 18/11 10:41 AM 00/22/00

8

this Order on behalf of the Division of Consumer Affairs and the State Board of Pharmacy.

20. The entry of this Order is part of the public records of the Board. Notice of the Order shall be made available and/or transmitted as set forth on the Notice document attached hereto.

THIS ORDER IS EFFECTIVE ON JUNE 16, 2000, NUNC PRO TUNC.

STATE BOARD OF PHARMACY

By:

*Richard A. Palumbo*  
Richard A. Palumbo, R.Ph.  
President

I have read the within Order and understand its terms. I consent to the filing of the Order by the State Board of Pharmacy

*Larry Steven Krauer*  
Larry Steven Krauer, R.Ph.

Witness:

By:

*Raymond F. Flood*  
Raymond F. Flood, Esq.  
*Douglas F. Doyle*  
Douglas F. Doyle, Esq.  
Counsellors to Mr. Krauer

PAGE 9/11

ID: 8738483875

ID: 8738483878

JUN-22-00 15:25 FROM: NJ DIV OF LAW

JUN-22-00 15:25 FROM: NJ DIV OF LAW

JUN-22-00 15:25 FROM: NJ DIV OF LAW



## ATTACHMENT A

SELECTED CLAIMS SUBMITTED IN THE NAMES OF THE FOLLOWING  
PATIENTS:

IVY K [REDACTED]

R [REDACTED] L [REDACTED]

A [REDACTED]/A [REDACTED] M [REDACTED]

J [REDACTED] M [REDACTED]

C [REDACTED] P [REDACTED]

P [REDACTED] P [REDACTED]

M [REDACTED] Q [REDACTED]

J [REDACTED] S [REDACTED]